

**CITY OF ROCKVILLE
COMPENSATION COMMISSION REPORT
March 28, 2013**

In accordance with Chapter 2, Section 2-21 of the Rockville City Code, the Compensation Commission met on January 24, 2013, February 7, 2013, February 14, 2013, February 20, 2013, March 13, 2013 and March 21, 2013 to discuss and prepare a recommendation for Mayor and Council stipend. Members of the Commission are: Jim Coyle (Chair), Joseph Bradley, Norm Hampton, James Marrinan, and Thomas McKenna. Assisting the Commission were City Clerk Douglass Barber, Deputy City Clerk Brenda Bean, Assistant to the City Clerk Sara Ferrell, and City Attorney Debra Daniel.

RESEARCH:

The Commission requested and reviewed the following documents provided by staff to assist in making a reasonable recommendation:

- History of Mayor and Council Compensation in Rockville from 1963 to 2013
- A comparative table showing the rates of compensation for other cities in Maryland with the population, form of government and method used to determine compensation
- A comparative table showing the election schedule of all Maryland municipalities
- Washington-Baltimore CPI-U – dated January 29, 2013

ANALYSIS:

The 2013 Compensation Commission had three new Commissioners appointed by the Mayor and Council. In order to orient and inform the new members of the Compensation Commission history, work, and recommendations to past Mayors and Councils, the Commission undertook a wide-ranging review of all previous analysis and reports, as well as new data requested by Commission members. After thoughtful discussion with City staff and among the Commission members, the Commission concurred with the extensive findings and recommendations of the previous Commissions especially those since 2009.

APPROVALS:

In 2011, by Resolution 14-11, the Mayor and Council rejected the Commissions' recommended compensation increases for Fiscal Years 2013 and 2014, thereby leaving the Mayor's compensation at \$26,581 and Council's at \$21,265.¹ The Mayor and Council did agree with several parts of the Commission's recommendation. Specifically, the Mayor and Council agreed that "(a) the compensation Rockville pays its elected officials is set with an eye on future candidates, not present officeholders; and (b) the Compensation Commission strives to keep stipends at a level that allows the City to attract the best range of candidates for elected office over the long run." In addition, the Mayor and Council accepted the recommendation of the Commission that the City Manager develop a process to ensure the correct authorized compensation levels as set by the Mayor and Council are included in future budgets. This was an issue since the amount approved by the Mayor and Council had not been previously funded by the Mayor and Council through the budget approval process and the Commission was concerned that the correct amount of compensation might not be carried forward in future budgets without a process in place.

COMMISSION CONCERNS:

The Compensation Commission is very disappointed that the Mayor and Council stipends have not been kept whole since 2006. While the last adjustment to these stipend levels took place around FY 2012 adjusting the Mayor's stipend to \$26,582 and the Council's stipend to \$21,265, the Mayor and Council have failed to fund the stipends at these levels. As such, the Mayor and Council stipends have remained at the same level since 2006. Had we kept up using the CPI-U, the totals would have been closer to \$30,000 for the Mayor and \$25,000 for the Council. The overall result is that the values of the stipends have fallen behind the baseline target set in 2005.

The Commission recognizes that extraordinary fiscal circumstances in any given budget cycle can impact the Mayor and Council's budget decisions for that cycle. The Commissioners, as active and committed citizens of Rockville, feel that the Mayor and Council has an obligation to support reasonable increases in the stipends so that the future Mayors and Councils will remain adequately compensated for their commitment to the community. However, by rejecting fair and justified increases in the Compensation levels, the two objectives cited above that were approved by the Mayor and Council are basically rendered "null and void."

¹ While the Mayor and Council's compensation has been set by resolution at these amounts since at least FY2012, as explained more fully herein, the Mayor and Council has decided to fund the Mayor's compensation at \$25,750 and the Council's compensation at \$20,600 for the past several years.

PUBLIC HEARING AND DISCUSSION:

The Commission's meetings were advertised and public input was welcome at every session. No citizen input was received, either in-person at a meeting or in writing.

FY2015-16 RECOMMENDATIONS:

After full deliberation and careful consideration, it is the recommendation of the Compensation Commission as follows:

For Fiscal Year 2015 and 2016, the monetary compensation for the Mayor and Council be increased over the current approved stipend amounts of \$26,581 and \$21,265 respectively, by the positive change, if any, in the Washington-Baltimore CPI-U for the twelve months preceding the previous November.